



HCD/CalHFA Strategic Development Conference a Big Hit with Conference Attendees

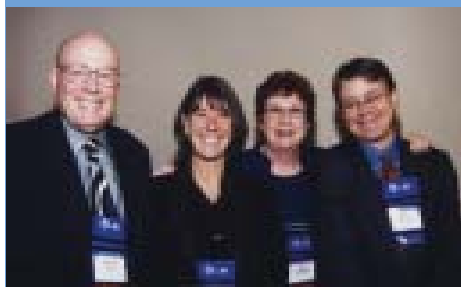
The Department of Housing and Community Development and the California Housing Finance Agency held their first joint statewide housing conference in Oakland last December. *"Strategic Development: Unleashing the Power of People and Places"*. The feedback from conference participants indicated that the plenary sessions were provocative, conference speakers were well-prepared, and the workshops were inter-active and informative.

On the first day of the conference the choice of six tours were offered: A walking tour of downtown Oakland, an Innovative Manufactured Housing Tour, and four BART tours throughout the greater Oakland area.

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Financing Infill and Mixed Use Development: State, Local, and Private Resources (L-R) David Mogavero, Randal W. Jackson, Thomas Gilmore, and William Pavão



Community Acceptance Strategies and Tools, Homeless to Housing: From Nimby to Buy-In (L-R) Roger K. Lewis, Amy Baley, Gail Goldberg, and Mike Herald



Luncheon Session Keynote with Dignitaries Holding Governor's Proclamation (L-R) Commissioner Paula R. Zinnemann, DRE: Director Julie Bornstein, HCD; Secretary Maria Contreras-Sweet, BT&H; Executive Director Theresa Parker, CalHFA; Sr. VP-Gov't Relations Timothy Coyle, CBIA; First VP-Community Development Resources Luis



Sanchez; WA Mutual; President of Ameregis and MN State Senator, Myron Orfield
Top Right: New Branding CalHFA Exhibit (L-R) Karen Marquez and Sandy Sarber both from CalHFA Marketing

A Farewell from the Director

It is with very mixed emotions that I write to you with this news. HCD, with its wonderful employees, is such a great place to work. I have been approached, however, to lead an exciting new venture at the University of Southern California (USC)—the Keston California Infrastructure Institute. USC intends to make the Institute a key policy player on issues of physical, political, and social infrastructure in California. It is also particularly exciting to be the founding director and have the opportunity to shape the nature and structure of this new entity.



Julie Bornstein

I will remember all of the great challenges and achievements we have experienced together. You have all taught me a great deal and I have been grateful for your support and confidence. I know you will continue to remain devoted to the provision of safe, decent, and affordable housing for all Californians. I will be transitioning at the end of April and will miss the excitement of being part of the HCD team. I wish you all well.

As a result of the strong support of the California electorate, housing issues are very much in the news and on the forefront of governmental agendas. The hard work of so many individuals and organizations in supporting Proposition 46, the largest housing bond in the State's history, also educated the public and decision-makers on the extent of the housing crisis and the benefits of investing in housing production. In visits around the State, we are seeing very innovative housing projects—housing and retail stores in the same structures, housing within walking distance of transportation centers, housing as a tool for economic revitalization of old and often run-down areas. Since our housing needs are so great—it is encouraging to see the wide variety of housing projects underway.

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From the Secretary's Desk



Maria Contreras-Sweet, Secretary
California Business, Transportation
and Housing Agency



Housing 2003: Off to a good start!

Congratulations to the employees of HCD and CalHFA for answering the Governor's call to accelerate the availability of Housing Bond funds. You are helping to revitalize the State's economy.

We are doing everything in our power to get the economy moving, create jobs, and build more affordable housing. Funds that have been released and/or will soon be released by HCD and CalHFA include:

- \$70 million for affordable multi-family housing units;
- \$55 million for farm worker housing;
- \$25 million for rental housing for the disabled and at-risk of homelessness;
- \$25 million in incentive grants for local governments that increase housing supply;
- \$31 million for emergency shelters for the homeless;
- \$4.8 million for housing preservation;
- \$4.78 million for grants to local code enforcement agencies;
- \$2 million for self-help housing
- \$50 million first-time homebuyer loans through CalHFA
- \$25 million for local first-time homebuyer programs and projects through HCD
- \$47.5 million down-payment assistance grants for homebuyers of newly constructed homes
- \$11.9 million first-time low-income homebuyers purchasing in revitalization areas
- \$42.75 million financing for at-risk subsidized rental developments receiving bond financing from CalHFA

Homebuyer programs funded through the bond will assist over 80,000 households to become homeowners. By the end of June 2003, over \$400 million of the funds will be announced. The funds will provide over 134,000 affordable housing units, including 23,000 low-income rental housing projects, double the number of shelter beds, and create new housing opportunities for farm workers, the disabled, and seniors.

Thank you to HCD and CalHFA employees for being such dedicated public servants. Together we are truly making a difference.

Director's Farewell

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The staff at HCD spent much of last fall preparing for implementation of the bond—assuming that if Proposition 46 passed, the voters would want speedy action in the distribution of the funds. That means that we were ready to go! Most of the bond proceeds will fund existing programs at HCD and our sister agency, CalHFA, so we can state that the staff is in place, it is trained, the regulations are in force, the developer community has experience with the programs and the programs are geared up to make awards. The first round of funding, in excess of \$200 million, was released last January, with additional releases continuing through June and with regular rounds of funding in all programs over the next several years. In subsequent weeks, we will be meeting with stakeholders and interested parties to discuss the new programs that were created in the Bond Act and supporting legislation so that regulations, guidelines and program design, as appropriate, be created to meet the needs of the applicants and carry out the intent of the legislature and voters. Our goal is to have a second funding round in July and August where these new programs will also be offered.

Given the slowdown in both the National and State economies, the distribution of the Housing Bond proceeds carries additional importance. Certainly, given the severity of California's housing crisis, we have every reason to distribute bond funding to good projects as quickly as possible. We want to get housing built and built quickly. Building housing, rehabilitating housing, and helping Californians become homeowners also stimulates the economy by creating jobs and encouraging consumer spending. We estimate that 276,000 jobs will be created over the lifetime of the bond. In addition, as we probably all know from our own personal experience, when someone moves into a new house or apartment, the need to buy appliances, paint, yard equipment or furniture increases—thus circulating more dollars, supporting more jobs in the consumer goods and services sector.

That's one reason Governor Davis asked the Department to expedite the awarding of the bond proceeds. Our programs are generally designed to be the first monies into a project—thus leveraging other financing and getting the job creation ball rolling. As the Governor said in his inaugural for his second term..."every dream starts with a job..." Using Housing Bond proceeds to create jobs supports the dreams of Californians for a bright future. Because those jobs will create safe, decent, and affordable housing, the dreams of Californians will be more likely to include a comfortable and stable home for their families.

It has been a pleasure to serve you all. Thank you for your support and participation in making the California Housing Initiative closer to meeting its goals.



California Hosts International Housing Visitors



What do the State of Israel, the countries of Ireland, Norway, Greece, Turkey, Lithuania, Russia, South Africa, and the Kingdom of Nepal all have in common?

They all looked to the State of California's Department of Housing and Community Development for answers to their critical housing concerns about enforcement of building codes - State-funded migrant farm worker housing and earthquake building safety.

Representatives from the State of Israel met with Director Julie Bornstein, Deputy Director for External Affairs Michael Herald and Assistant Deputy Director of the Division of Codes and Standards Ron Javor to discuss the development, use, and enforcement of building codes, particularly those related to structural safety.

At the request of Assembly Speaker's Herb Wesson's Office, HCD sponsored a half day tour of Yolo County migrant farmworker housing for the representatives of several European countries last November. The group, representing the countries of Ireland, Norway, Greece, Turkey, Lithuania, and Russia visited two State-operated migrant camps and met with migrant worker occupants.

An Irish student intern stayed with HCD during the summer of 2002 to study California housing policies. HCD's Legislative Unit hosted Ireland native Tony Craig. Tony came to study California's housing policies, observing that Dublin was beginning to have a housing problem similar to California's and wanted to see how the State used the resources available to help alleviate the housing shortage. Tony returned to Ireland with a greater knowledge of how to improve his Country's housing.

A delegation of South African housing and development officials, hosted by the California Coalition for Rural Housing, came to Sacramento. HCD's Farmworker Housing Grant Program representatives met with the group to discuss how California builds and maintains a supply of housing for farm workers. The delegation also observed a meeting of the Department's Farmworker Housing Task Force to hear the discussion of what the State's future efforts should be in farm worker housing.

The Kingdom of Nepal has contacted HCD requesting information on California building codes relating to earthquake design. Representatives from the Kingdom may visit HCD in early 2003!

Strategic Development Conference

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The second day of the conference featured Dowell Myers, Professor, School of Policy, Planning and Development of the University of Southern California, and Stephen Levy, Director for the Center for Continuing Study of the California Economy. Also welcoming the conference attendees to the City of Oakland was Oakland Mayor Jerry Brown.

The luncheon session featured Myron Orfield, President of Ameregis (American Research and Geographic Information Systems) and Minnesota State Senator. Also speaking at the luncheon was Business, Transportation and Housing Agency Secretary Maria Contreras-Sweet, Timothy L. Coyle from the Building Industry Association, Luis Sanchez from Washington



Housing as the Foundation for Walkable Communities: Good for Your Health (L-R) Cathy Creswell and Dan Burden



(L-R) Gordy de Noccochea, Michael Greenlaw, Tom Monahan, Chief Deputy Director Judy Nevis, Karen Bianchi Walsh, and Director Julie Bornstein, all from HCD

Mutual, and Theresa A. Parker, Executive Director of the California Housing Finance Agency introduced the luncheon speakers.

HCD and CalHFA, and co-host of the conference, thanked the following partners and donors for their participation in the conference: the California Building Industry Association, Washington Mutual, Wells Fargo, ARCS Commercial Mortgage Company, LP, Countrywide Home Loans, Inc., Fannie Mae Foundation, Union Bank of California, and the Bank of America. Others were: The California Department of Aging, California Integrated Waste Management Board, California Redevelopment Association, Goldfarb and Lipman, Novogradac & Company, and the Related Companies of California.

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